

Message Text

LIMITED OFFICIAL USE

PAGE 01 SAN SA 04161 141449Z
ACTION ARA-14

INFO OCT-01 NEA-10 ISO-00 CIAE-00 COME-00 EB-08 INR-10
LAB-04 NSAE-00 SIL-01 AID-05 /053 W
-----088170 142311Z /14

R 112045Z AUG 78
FM AMEMBASSY SAN SALVADOR
TO SECSTATE WASHDC 4189
INFO AMEMBASSY GUATEMALA
AMEMBASSY TEGUCIGALPA
AMEMBASSY JIDDA

LIMITED OFFICIAL USE SAN SALVADOR 4161

GUATEMALA FOR IESCA (AL WARREN)

E.O. 11652: NA
TAGS: ELAB, ECRE, SA, ES
SUBJ: U.S. CONSTRUCTION COMPANY SIGNS AGREEMENT WITH MINISTRY OF
LABOR PROVIDING FOR EMPLOYMENT OF SALVADORAN WORKERS IN
SAUDI ARABIA

REF SAN SALVADOR A-10

1. ON AUGUST 10 EARL VAZ, BUSINESS MANAGER OF MORRISON-KNUDSEN SAUDI ARABIA CONSORTIUM, AND JOHN BUTLER, PERSONNEL PROCESSING AND ORIENTATION MANAGER OF MORRISON-KNUDSEN, INFORMED COMMERCIAL ATTACHE AND LABOR OFFICER THAT THEIR FIRM HAD JUST SIGNED AN AGREEMENT WITH THE SALVADORAN MINISTRY OF LABOR PROVIDING FOR THE EMPLOYMENT OF TPP "CRAFT-SKILLED" SALVADORAN WORKERS TO PARTICIPATE IN CONSTRUCTION PROJECT IN SAUDI ARABIA. IN RESPONSE TO QUESTIONS FROM COMMERCIAL ATTACHE, VAZ AND BUTLER STATED THAT MORRISON-KNUDSEN WOULD BE OPENING AN OFFICE IN SAN SALVADOR AS SOON AS POSSIBLE AND HOPED TO BE SENDING THE FIRST CONTINGENT OF WORKERS TO SAUDI ARABIA THIS MONTH. COMMERCIAL
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SAN SA 04161 141449Z

ATTACHE PROVIDED VAZ AND BUTLER WITH INFORMATION CONCERNING SALARIES FOR BILINGUAL OFFICE STAFF AND OTHER COSTS THAT MIGHT BE INVOLVED IN OPENING AN OFFICE IN SAN SALVADOR.

2. VAZ AND BUTLER ALSO STATED THAT WORKERS WOULD BE HIRED ON BASIS OF ONE-YEAR CONTRACTS WITH EXTENSIONS

AND THAT AGREEMENT WITH MINISTRY OF LABOR STIPULATED THAT 80 PERCENT OF WORKERS WAGES WOULD BE SENT TO SALVADORAN BANKS FOR USE OF WORKERS FAMILIES AND TO SET UP SAVINGS ACCOUNTS. THEY SAID THAT WORKERS WOULD BE RECEIVING ROOM AND BOARD IN ADDITION TO THEIR WAGES SO THAT RECEIVING ONLY 20 PERCENT OF THEIR WAGES IN SAUDI ARABIA WOULD POSE NO HARDSHIP. BUTLER STATED THAT SALVADORAN CONTINGENT WOULD BE WORKING ON KING KHALID CITY PROJECT IN NORTHEASTERN PART OF SAUDI ARABIA. HE SAID THAT MORRISON-KNUDSEN'S PARTICIPATION IN PROJECT WOULD INVOLVE BUILDING HOUSING FOR 70,000 PEOPLE AND A 300-BED HOSPITAL. BUTLER ADDED THAT THE PROJECT COULD TAKE FROM 8-10 YEARS TO COMPLETE.

3. DURING APRIL OF THIS YEAR, DWIGHT DICKEY, AN EMPLOYMENT MANAGER FOR MORRISON-KNUDSEN, CONTACTED LABOR OFFICER TO HELP ARRANGE MEETINGS WITH MINLABOR OFFICIALS. LABOR OFFICER CONFINED HIMSELF TO PROVIDING DICKEY WITH A LIST OF MINISTRY OF LABOR OFFICIALS AND INFORMING MINISTER OF LABOR WHERE DICKEY COULD BE REACHED. DICKEY APPARENTLY HELD PRODUCTIVE DISCUSSIONS WITH MINISTER OF LABOR COL. ROBERTO ESCOBAR GARCIA, BUT AGREEMENT WAS APPARENTLY SIGNED ONLY THIS MONTH.

4. COMMENT. IN JULY 20 CONVERSATION WITH FELIPE ZALDIVAR (SECRETARY-GENERAL OF FEDERATION OF CONSTRUCTION LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 SAN SA 04161 141449Z

AND TRANSPORTATION WORKERS UNION - FESINCONSTRANS), LABOR OFFICER ASKED FOR HIS ASSESSMENT OF GOES PLANS TO SEND SALVADORAN WORKERS TO SAUDI ARABIA. ZALDIVAR, WHO HEADS THE MOST IMPORTANT CONSTRUCTION WORKERS UNION IN EL SALVADOR, THOUGHT THE PLAN WOULD ULTIMATELY NOT BE FEASIBLE BECAUSE OF THE SHORTAGE OF SKILLED CONSTRUCTION WORKERS IN EL SALVADOR. COMMERCIAL ATTACHE TOLD VAZ AND BUTLER THAT SALVADORAN WORKERS MIGHT WELL CHAFE AT THE PROHIBITION OF ALCOHOL AND AT OTHER SOCIAL MORES OF SAUDI ARABIA. DEVINE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, LABOR, EMPLOYMENT, CONSTRUCTION INDUSTRY, BUSINESS FIRMS, FOREIGN WORKERS
Control Number: n/a
Copy: SINGLE
Draft Date: 11 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978SANS04161
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780332-0724
Format: TEL
From: SAN SALVADOR
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780873/aaaacjda.tel
Line Count: 104
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c7cbf264-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 SAN SALVADOR A-10
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1767044
Secure: OPEN
Status: NATIVE
Subject: U.S. CONSTRUCTION COMPANY SIGNS AGREEMENT WITH MINISTRY OF LABOR PROVIDING FOR EMPLOYMENT OF SALVADORAN WORKERS IN SAUDI ARABIA
TAGS: ELAB, ECRE, SA, ES, US
To: STATE
Type: TE
vdkgvkey: odb://SAS/SAS.dbo.SAS_Docs/c7cbf264-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014